

Senate Amendment 3497

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1 1 Amend Senate File 559, as amended, passed, and
1 2 reprinted by the Senate, as follows:
1 3 #1. Page 3, by striking lines 1 through 11 and
1 4 inserting the following: <payments made under the
1 5 purchase agreement, except that ~~the seller a limited~~
1 6 ~~liability corporation that was formed in 2002 for the~~
1 7 ~~purpose of purchasing a cemetery from a foreign entity~~
1 8 ~~reorganizing under bankruptcy and such corporation is~~
1 9 ~~comprised of six establishments all located within the~~
1 10 ~~same county~~ may withdraw so much of the interest or
1 11 income as represents the difference between the amount
1 12 needed to adjust the trust funds for inflation as set
1 13 by the commissioner based on the consumer price index
1 14 and the interest or income earned during the preceding
1 15 year not to exceed fifty percent of the total interest
1 16 or income on a calendar-year basis. The early
1 17 withdrawal of interest or income under this provision
1 18 does not affect the purchaser's right to a credit of
1 19 such interest or income in the event of a
1 20 nonguaranteed price agreement, cancellation, or
1 21 nonperformance by ~~the seller~~ such limited liability
1 22 corporation.>
1 23 #2. Page 10, by striking lines 19 through 26 and
1 24 inserting the following:
1 25 <7. ~~An initial permit is valid for two years from~~
1 26 ~~the date the application is filed. A permit may~~
1 27 ~~preneed seller's license shall be renewed for two~~
1 28 ~~every four~~ years by filing the form prescribed by the
1 29 commissioner under subsection 2, accompanied by a ~~ten~~
1 30 ~~dollar renewal fee in an amount set by the~~
1 31 ~~commissioner by rule. Submission of purchase~~
1 32 ~~agreements is not required for renewals unless the~~
1 33 ~~purchase agreements have been modified since the last~~
1 34 ~~filing.~~>
1 35 #3. Page 13, by striking lines 11 through 16 and
1 36 inserting the following:
1 37 <5. ~~An initial permit expires one year from the~~
1 38 ~~date the application is filed. The permit may sales~~
1 39 ~~license shall be renewed for every four years by~~
1 40 filing the form prescribed by the commissioner under
1 41 subsection 3, accompanied by a ~~twenty dollar filing~~
1 42 ~~renewal fee in an amount set by the commissioner by~~
1 43 ~~rule.~~>
1 44 #4. Page 14, line 16, by striking the words <,
1 45 including a copy of> and inserting the following:
1 46 <describing>.
1 47 #5. Page 17, lines 28 and 29, by striking the
1 48 words <the end of the calendar month that we received>
1 49 and inserting the following: <receipt of>.
1 50 #6. Page 18, by striking lines 5 through 8, and
2 1 inserting the following:
2 2 <"An>.
2 3 #7. Page 18, line 15, by inserting after the word
2 4 <confirmation.> the following: <For your protection,
2 5 you have the right to confirm that the insurance
2 6 policy or annuity is issued as required by law.>
2 7 #8. Page 18, by striking lines 26 through 29, and
2 8 inserting the following:
2 9 <"Coverage under a surety bond in>.
2 10 #9. Page 19, line 4, by inserting after the word
2 11 <agreement.> the following: <For your protection, you
2 12 have the right to confirm that the surety bond is
2 13 issued as required by law.>
2 14 #10. Page 20, by striking lines 8 through 18, and
2 15 inserting the following:
2 16 <Sec. _____. Section 523A.703, Code 2007, is amended
2 17 to read as follows:
2 18 523A.703 FRAUDULENT PRACTICES.
2 19 ~~* Except as otherwise provided in section 523A.704,~~
2 20 ~~a person who willfully commits any of the following~~
2 21 ~~acts commits a fraudulent practice and is punishable~~
2 22 ~~as provided in chapter 714:~~
2 23 1. ~~Knowingly fails Fails~~ to comply with any
2 24 requirement of this chapter, ~~or any rule adopted or~~

~~2 25 order issued under this chapter.~~
~~2 26 2. Knowingly makes Makes, causes to be made, or~~
~~2 27 subscribes to a false statement or representation in a~~
~~2 28 report or other document required under this chapter,~~
~~2 29 implementing rules, or orders, or renders such a~~
~~2 30 report or document misleading through the deliberate~~
~~2 31 omission of information properly belonging in the~~
~~2 32 report or document.~~
~~2 33 3. Conspires to defraud in In connection with the~~
~~2 34 sale of cemetery merchandise, funeral merchandise,~~
~~2 35 funeral services, or a combination thereof under this~~
~~2 36 chapter, directly or indirectly makes an untrue~~
~~2 37 statement of a material fact or omits to state a~~
~~2 38 material fact that is necessary to make the statements~~
~~2 39 made, in light of the circumstances under which they~~
~~2 40 were made, not misleading.~~
~~2 41 4. Fails to deposit funds under sections 523A.201~~
~~2 42 and 523A.202 or withdraws any funds in a manner~~
~~2 43 inconsistent with this chapter. Unless the purchase~~
~~2 44 agreement expressly provides otherwise, excludes in~~
~~2 45 the sale of cemetery merchandise, funeral merchandise,~~
~~2 46 or a combination thereof, funeral services that are~~
~~2 47 necessary for the delivery, use, or installation of~~
~~2 48 the cemetery merchandise or funeral merchandise at the~~
~~2 49 time of the burial or funeral.~~
~~2 50 5. Knowingly sells or offers cemetery merchandise,~~
~~3 1 funeral merchandise, funeral services, or a~~
~~3 2 combination thereof without an establishment permit.~~
~~3 3 6. Deliberately misrepresents or omits a material~~
~~3 4 fact relative to the sale of cemetery merchandise,~~
~~3 5 funeral merchandise, funeral services, or a~~
~~3 6 combination thereof under this chapter. When selling~~
~~3 7 cemetery merchandise or funeral merchandise, a seller~~
~~3 8 shall not exclude the funeral services necessary for~~
~~3 9 the delivery, use, or installation of the cemetery~~
~~3 10 merchandise or funeral merchandise at the time of the~~
~~3 11 funeral or burial unless the purchase agreement~~
~~3 12 expressly provides otherwise.~~
3 13 Sec. _____. NEW SECTION. 523A.704 VIOLATIONS.
3 14 A person who willfully violates section 523A.501,
3 15 subsection 1, or section 523A.502, subsection 1, is
3 16 guilty of a class "D" felony.>
3 17 #11. Page 20, by inserting after line 34 the
3 18 following:
3 19 <Sec. _____. Section 523A.801, Code 2007, is amended
3 20 by adding the following new subsection:
3 21 NEW SUBSECTION. 3. The commissioner shall submit
3 22 an annual report to the legislative oversight
3 23 committee by October 1 of each year reporting on the
3 24 administration of this chapter. The report shall set
3 25 forth any recommendations for changes in the law that
3 26 the commissioner deems necessary or desirable to
3 27 prevent abuses or evasions of this chapter or rules
3 28 implementing this chapter or to rectify undesirable
3 29 conditions in connection with the administration of
3 30 this chapter or rules implementing this chapter.>
3 31 #12. Page 24, by inserting after line 27 the
3 32 following:
3 33 <Sec. _____. Section 523I.201, Code 2007, is amended
3 34 by adding the following new subsection:
3 35 NEW SUBSECTION. 3. The commissioner shall submit
3 36 an annual report to the legislative oversight
3 37 committee by October 1 of each year reporting on the
3 38 administration of this chapter. The report shall set
3 39 forth any recommendations for changes in the law that
3 40 the commissioner deems necessary or desirable to
3 41 prevent abuses or evasions of this chapter or rules
3 42 implementing this chapter or to rectify undesirable
3 43 conditions in connection with the administration of
3 44 this chapter or rules implementing this chapter.>
3 45 #13. Page 26, line 26, by striking the word <five>
3 46 and inserting the following: <three>.
3 47 #14. Page 26, line 29, by inserting after the word
3 48 <requirement> the following: <or the seller has
3 49 previously provided to the commissioner a certified
3 50 copy of an audit conducted by an independent certified
4 1 public accountant verifying compliance with this
4 2 chapter for each year in question and the examination
4 3 conducted by the commissioner does not disclose that
4 4 the seller has not complied with this chapter for the
4 5 years in question>.

4 6 [#15](#). Page 27, by inserting after line 32 the
4 7 following:
4 8 <Sec. _____. Section 523I.304, Code 2007, is amended
4 9 by adding the following new subsection:
4 10 NEW SUBSECTION. 7. A cemetery owned and
4 11 controlled by a governmental subdivision shall adopt
4 12 and enforce a rule allowing any veteran who is a
4 13 landowner or who lives within the governmental
4 14 subdivision to purchase an interment space and to be
4 15 interred within the cemetery. For the purposes of
4 16 this section, "veteran" means the same as defined in
4 17 section 35.1 or a resident of this state who served in
4 18 the armed forces of the United States, completed a
4 19 minimum aggregate of ninety days of active federal
4 20 service, and was discharged under honorable
4 21 conditions.>
4 22 [#16](#). By renumbering, relettering, or redesignating
4 23 and correcting internal references as necessary.
4 24 SF 559.H
4 25 ab/jg/25